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March 8, 2002

Ex Parte

William Caton
Acting Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

Re: *Application by Verizon New England for Authorization To Provide In-Region, InterLATA Services in Vermont*, CC Docket No. 02-7

Dear Mr. Caton:

The Commission has asked how the issues described in paragraph 53 of the Guerard/Canny/Abesamis declaration affected Verizon's reported performance for provisioning stand-alone POTS loops and also has asked for information on the apparent performance disparities under PR-3-06-3113 and PR-3-09-3113. Verizon provides the following response.

As the Commission has recognized, "reported average completed intervals will vary depending upon where competitive carriers are ordering service," because "the automatic appointment clock used to schedule available appointments offers longer average appointment intervals in some geographic areas than in others (the 'geographic mix' problem)." New York Order ¶ 206. To demonstrate that this "geographic mix" issue occurs in Vermont and Massachusetts, on February 25, 2002, Verizon took "snapshots" of the installation appointment clock (SMARTS Clock) at various garages in those states at 10 a.m. and at 3 p.m. These "snapshots" revealed a substantial variation in the next available installation appointment date among garages. For example, although the SMARTS Clocks in the Morrisville, Montpelier, and Milton, Vermont garages all offered 3-day residential provisioning intervals at 10 a.m., by 3 p.m., the SMARTS Clocks in those three garages offered 3-, 4-, and 5-day intervals, respectively. Similarly, in Massachusetts, at 10 a.m., the SMARTS Clocks in the Worcester and North Shore, Massachusetts garages offered residential provisioning intervals of 2 days, but the SMARTS Clock in the Fall River/New Bedford, Massachusetts garage offered a 3-day interval. By 3 p.m. on that same day,

the SMARTS Clocks in those three garages offered 2-, 3-, and 4-day intervals, respectively. As a result, the average offered and completed intervals for stand-alone loop orders, as well as the percent of such orders completed within 3 days, will be affected by the proportion of CLEC orders to be provisioned from various garages and by thevarious times of day when CLECs submit their orders. The reported results for the PR-1, PR-3, and the eliminated PR-2 measurements could show a disparity if a higher proportion of CLEC orders are submitted later in the day or are to be provisioned from busier garages than orders in the retail comparison group.

Verizon also analyzed its reported performance in Massachusetts for the two percent completed within X days measurements for stand-alone UNE loops (PR-3-06-3113 and PR-3-09-3113) that were adopted in November 2001. From November 2001 through January 2002, there were a total of 80 CLEC stand-alone UNE loops reported for these measurements. However, Verizon's investigation revealed that, pursuant to the business rules, a large number of these orders should not have been included in these performance measurements because the CLEC requested an interval that was longer than the first available appointment from the SMARTS Clock. The stand-alone loop orders covered by these measurements cannot flow through and "fall out" for manual handling prior to the point at which Verizon's systems would automatically "X" code those dispatch orders where the CLEC did not request the first available provisioning appointment. Because Verizon has 24 hours to enter these orders and return an LSRC to the CLEC, it will often be the case that a Verizon service representative types in the order a number of hours after the CLEC submitted the order, if not on the following day. Although it is possible for Verizon to determine the first available appointment that the SMARTS Clock had offered the CLEC at the time the order was submitted, it is a cumbersome, difficult, and time consuming process. As a result, Verizon's service representatives determine whether an order should be "X" coded based on the current status of the SMARTS Clock. However, as shown above, the SMARTS Clock will often provide different provisioning intervals at different times of the day. Therefore, some orders that should have been "X" coded — and excluded from PR-3-06-3113 and PR-3-09-3113 — will be "W" coded and included in those measurements.

Verizon has recalculated its wholesale performance results for these two measurements in Massachusetts for November 2001 through January 2002, by determining the appointment the SMARTS Clock had offered to the CLEC just prior to the time the order was submitted, comparing that appointment to the CLEC's requested interval, and excluding those orders that should have been "X" coded. Although the resulting observations are too few to provide meaningful performance results, Verizon met the parity standard for these measurements in each month.

PR-3-06-3113 – % Completed in 3 Days (1-5 Lines - Dispatch) - Loop New

		Actual Performance		Number of Observations				
	Standard	Vz	CLEC Aggregate	Vz	All CLECs	Standard Deviation	Sampling Error	Z-Score
November	Parity with Retail	70.24	75.00	6854	8		16.17	0.29
December	Parity with Retail	77.70	87.50	5820	8		14.73	0.67
January	Parity with Retail	78.72	77.78	7696	9		13.65	-0.07

PR-3-09-3113 – % Completed in 5 Days (1-5 Lines - Dispatch) - Loop New

		Actual Performance		Number of Observations				
	Standard	Vz	CLEC Aggregate	Vz	All CLECs	Standard Deviation	Sampling Error	Z-Score
November	Parity with Retail	95.77	87.50	6854	8		7.12	-1.16
December	Parity with Retail	96.72	100.00	5820	8		6.30	0.52
January	Parity with Retail	97.21	100.00	7696	9		5.49	0.51

A more relevant indication of Verizon's performance, however, is whether Verizon is completing orders at the time CLECs requested. From November 2001 through January 2002, Verizon completed on time 95 percent of the CLEC stand-alone loop orders that were reported in PR-3-06-3113 and that had an offered interval of 3 days or less, although the CLEC observations are too few to provide meaningful information. During that same period, Verizon completed on time 97.10 percent of the CLEC stand-alone loop orders that were reported in PR-3-09-3113 and that had an offered interval of 5 days or less. Attachment 1 contains order-by-order detail supporting both of these recalculations.

Further, Verizon provides the following answers to the Commission's other questions:

1. The Commission asks about Verizon's performance on PR-6-01-3200 (Special Services – Percent Installation Troubles Reported Within 30 Days) in Massachusetts. Verizon met the parity standard for this measurement for three of the four months from October 2001 through January 2002. During those four months, the average I-code rate for CLECs' high capacity loops was 4.45, as compared to a rate of 2.17 for the retail comparison group. This difference is less than the installation quality difference the Commission found not to be competitively significant in other section 271 approval orders. See, e.g., Pennsylvania Order ¶ 85 n.294 (difference of 4 to 5 percent found "not competitively significant"); Rhode Island Order ¶ 80 n.230 (difference of 11 percent); Connecticut Order ¶ 21 n.49 (difference of 7 percent). Finally, from October through January, CLECs submitted an average of only 8.25 installation troubles on unbundled Special Services circuits, and the Commission has previously recognized that "performance data based on low volumes of . . . transactions is not as reliable an indicator of checklist compliance as performance based on larger numbers of observations." Kansas/Oklahoma Order ¶ 36; see also id. ¶ 196 n.565 (noting that SWBT's data were affected by small numbers where only seven competing carriers reported trouble reports on DSL loops in September 2000, and only one of those carriers experienced a repeat trouble).

2. As Verizon explained in its February 26, 2002 ex parte letter, Verizon's reported performance on PR-2-01-3341 (2-Wire Digital – Average Completed Interval – Total No Dispatch) from April through October 2001 was impacted by extremely low CLEC volumes and the fact that the retail comparison group for this measurement includes feature changes to the voice side of an ISDN service, which have shorter intervals than new installation orders, and can therefore cause the average interval for the retail comparison group to appear shorter. The Commission now asks for information on Verizon's average completed interval for these orders from April through October 2001. The average was 5.80 days for CLECs and 1.66 days for the retail comparison group,

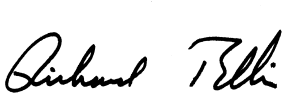
which, as noted again above, includes feature changes to the voice side of an ISDN service. Cf. Rhode Island Order ¶ 81 (noting that "the retail comparison group for [2-wire digital loops] (Verizon retail [ISDN]) does not provide an 'apples-to-apples' comparison").

Verizon also explained that, for PR-2-02-3341 (2-Wire Digital – Average Completed Interval – Total Dispatch) from April through October 2001 was 5.86 days for CLECs and 5.34 days for the retail comparison group, a difference of only 0.52 days, which the Commission has previously found is not competitively significant. See New York Order ¶ 202 n.645. The Commission now asks for information on the number of CLEC observations for this measurement. Between April and October 2001, there were an average of approximately 44 observations per month.

3. Verizon states that it is not aware of any CLEC in Vermont, other than CTC, that had a dispute with Verizon within the last year regarding the termination of collocation space.

The twenty-page limit does not apply as set forth in DA 02-111. Please let me know if you have any questions.

Sincerely,



cc: J. Veach
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G. Remondino